

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
SACHIN SHAH,	:
	:
Plaintiff,	:
	:
-against-	:
	:
LESTER L. LEVY,	:
	:
Defendant.	:
-----X	

No. 1:13-cv-02975-LGS-SN

VERDICT FORM

ALL JURORS MUST AGREE TO ALL ANSWERS

I. Tortious Interference with Contract

Question 1

Did Mr. Levy tortiously interfere with Mr. Shah's employment contract with Tullett Prebon?

Yes ✓ No _____

If you answered "Yes" to Question 1, proceed to Question 2.

If you answered "No" to Question 1, proceed to Question 3.

Question 2

What is the amount of damages, if any, that you award Mr. Shah based on the tortious interference with his employment contract with Tullett Prebon?

\$ 33,000

Proceed to Question 3.

Question 3

Did Mr. Levy tortiously interfere with Mr. Shah's employment contract with Cuttone & Co.?

Yes ✓ No _____

If you answered "Yes" to Question 3, proceed to Question 4.

If you answered "No" to Question 3, proceed to the next page.

Question 4

What is the amount of damages, if any, that you award Mr. Shah based on the tortious interference with his employment contract with Cuttone & Co.?

\$ 20,000

Proceed to the next page.

II. Libel

Questions 5–15 are in text boxes on the relevant emails, which are reproduced below. Some of the emails have been excerpted in relevant part. The complete emails are available in the exhibit binders.

Proceed to the next page.

From: Bovitz, Tom
Sent: Monday, July 02, 2012 1:38 PM
To: Jonathan Harper
Subject: RE: sachin shah

Plaintiff's
Exhibit 31

What makes u think nothing was done by my internal compliance?

From: Jonathan Harper [mailto:jonathan.harper123@yahoo.com]
Sent: Monday, July 02, 2012 9:00 AM
To: Bovitz, Tom
Subject: sachin shah

Please be advised that I have notified Finra about Sachin Shah posting on the Yahoo message boards using the alias "IHATEATTORNEYS". He was posting on various mergers and acquisitions including those that he covered in violation of company and Finra policies.

I have similarly informed them that I notified legal and compliance at Tullet who took no action and did not report it to Finra. For your reference, I notified Finra at the New Jersey offices that overseas this district.

Please do not respond to this email as it was set up solely to notify you of this action and I will not respond to any requests to contact this email which is not my real name.

Question 5

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes ☒

No ☐

Proceed to Question 6.

CONFIDENTIAL TP-000674

Plaintiff's
Exhibit 32

lynda

Les Profile

Contacts Notepad Calendar

Switch to the newest Yahoo

Actions : Apply

Mail Accounts

tripplevy.com

yahoo.com

Inbox

Drafts

Sent

Spam (1)

Trash (1)

My Folders

Acme

Alco

american pacif...

arden

arthro

Artio

astex

Beam

biozone

blackberry

brazil

cadence

Cannavest

chindex

Chindex

cole

CONN

cornerstone

EIHI

equal energy

forest

fredericks

GGS

giant

Harris

hastings

Heinz

www.lynda.com Training - Lear...

Sponsored

RE: Sachin Shah - Illegal Trading

From: "Freshman

Lynda (AGO)" <lynda.freshman@state.ma.us>

To: "Les Levy" <les_levy@yahoo.com>

Full Headers Printable View

Mr. Levy,

Thank you for sending this information.

Sincerely,

Lynda Freshman

From: Les Levy [mailto:les_levy@yahoo.com]

Sent: Monday, November 12, 2012 8:49 AM

To: Freshman, Lynda (AGO)

Subject: Re: Sachin Shah - Illegal Trading

Please let me know if you would like any further information

From: Les Levy <...>

To: "..."

Sent: Thursday, November 8, 2012 1:44 PM

Subject: Fw: Sachin Shah - Illegal Trading

The following sets forth information regarding analyst Sachin Shah who works at Tullet Prehon in Jersey City and his engaging in illegal trading.

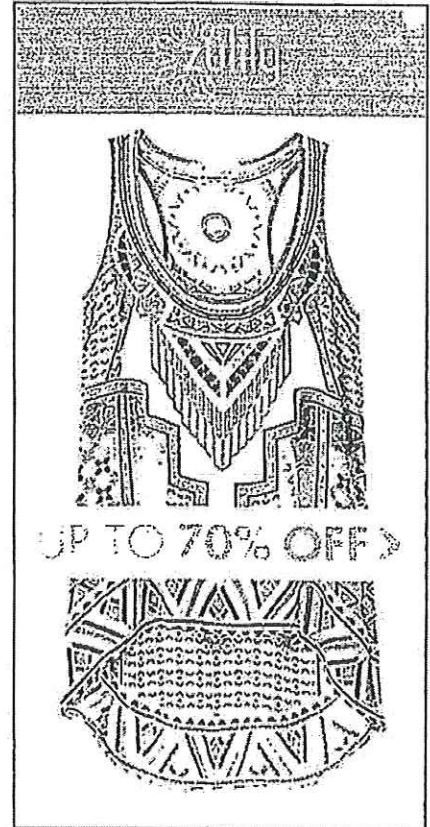
He is an analyst, but at the same time, he trades shares for his and other salesperson's own benefit. Further, he speaks with clients and provided them with his analysis so that they can trade on it.

However, he goes on television and makes statements in the press regarding companies he is covering without any proper disclosures. For example:

1. Yahoo — numerous times he made public statements on Bloomberg (either through their news stories or on Bloomberg TV where he touted that Yahoo will be acquired by Microsoft for anywhere from \$21-23 per share. Yet, he previously would inform his clients regarding this same thought process prior to going on TV or making statements in the news media, thereby allowing them to trade prior to public statements he would make touting the company.

2. He told his clients to trade shares of Motorola Mobility. He told them to buy Motorola Mobility shares and sell \$39 calls. Thereafter, he goes on Bloomberg and says how Google will be acquiring Motorola Mobility and how the deal will go through at the acquisition price.

3. He told his clients to trade shares of Potash. That they should use a "buy-write" options strategy to profit from a possible sale of Potash. He then goes on Bloomberg and says how he sees rival



LEV_0180

mrocal

offers to acquire Potash.

jones

4. He told his clients to buy shares of Hershey. Then he makes a statement to Bloomberg that he sees Nestle making a bid to acquire Hersheys.

kaydon

kim

kkrr

ICA

5. Same thing with Medco Health. He made a comment through Bloomberg that he is "bullish" on Medco, yet he previously was trading Medco shares and he did not make any disclosures regarding his self-interest.

legend

lock

He has done this numerous time while at ICAP, Capstone and now Tullett. He allows his clients to trade prior to his public statements, then he goes and make public statements without disclosures of his self-interest.

lsi

MAKO

mindspeed

He get paid from commissions (as well as a bonus) by his and other salespersons clients engaging in trades on his deals. So he has every incentive to have them trade as much as possible.

morgan

National Inter...

National Tech

He has also gone on websites like Yahoo's finance message board under the psydonym "IHATEATTORNEYS" and make statements regarding deals even though it is against FINRA rules to make such statements.

Notes

nts

PAA

If you have access to a bloomberg terminal, I implore you to find all the news articles and video statements he has made on various deals. Then you just contact his firms at ICAP, Capstone and Tullett and you will see just what research he puts out on them and what clients are trading in those stocks, which takes place before he makes his public statements. And all this is done without any disclosures of his self-interest.

performance te...

personal

safeway

Santa fe

santarus

sirius xm

sirius

summit

sws

Synced Message.

tellabs

Tripp Levy

Triquint

trunkbow

uliv

verenum

xyratex

yongye

zale

zottek

zygo

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Question 6

Did Mr. Levy make the statements in the highlighted portion of this email with spite or ill will, or with knowledge that the statement was false, or with reckless disregard in determining whether it was true?

Yes ☒No ☐

If you answered "Yes" to Question 6, proceed to Question 7.

If you answered "No" to Question 6, proceed to Question 8.

Question 7

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes ☒No ☐

Proceed to Question 8.

LEV_0181

Plaintiff's
Exhibit 48

From: Cuttone, Joseph
Sent: Mon 4/08/2013 9:08 PM (GMT 0)
To: Shah, Sachin
Cc:
Bcc:
Subject: FW: Sachin Shah

Joseph C Cuttone
Cuttone & Co. Inc.
111 Broadway 10th floor
NYC NY 10006
joeccuttone@cuttone.com
Desk 212 422 6107
Cell 908 303 5046

From: Justin Lumiere
Sent: Monday, March 25, 2013 5:44 PM
To: Cuttone, Joseph
Subject: Re: Sachin Shah

here is the State Attorney General of Massachussets info who was looking into his illegal trading

I will send you the finra/sec investigation info as well

From: "Freshman, Lynda (AGO)" <lynda.freshman@state.ma.us>
Sent: Tuesday, November 13, 2012 9:14 AM
Subject: RE: Sachin Shah - Illegal Trading
We will be in touch if we need anything further.
Sincerely,
Lynda
Lynda A. Freshman
Legal Analyst/Mediator
Insurance and Financial Services Division
Public Protection and Advocacy Bureau
Office of Attorney General Martha Coakley
One Ashburton Place, 18th Floor
Boston, MA 02108
Lynda.Freshman@state.ma.us
Phone: (617) 963-2859
Fax: (617) 722-0184

From: "Cuttone, Joseph" <joeccuttone@cuttone.com>
To: Justin Lumiere <justin_lumiere@yahoo.com>
Sent: Monday, March 25, 2013 2:57 PM
Subject: RE: Sachin Shah

what is your phone number ?

Joseph C Cuttone
Cuttone & Co. Inc.
111 Broadway 10th floor
NYC NY 10006
joeccuttone@cuttone.com
Desk 212 422 6107
Cell 908 303 5046

From: Justin Lumiere
Sent: Monday, March 25, 2013 2:40 PM
To: Barra, Roger
Cc: Cuttone, Donato A.; Cuttone, Donato J.; Cuttone, Joseph
Subject: Sachin Shah

I noticed that you have recently hired Sachin Shah.

I find this very surprising since, to my knowledge, he was fired from basically every company he has ever worked at (Credit Suisse, Millenium, Capstone, Icap, Tullett, etc.). I used to be his supervisor at ICAP and I can attest to this. In addition, his activities have routinely been investigated by FINRA as well as the State Attorney General's Office. Further, he routinely contacts Finra against the companies he currently worked at he learns he is going to get terminated for his incompetence in the hopes of protecting his job or forcing a settlement.

His activities with Bloomberg TV violate numerous securities laws particularly with his trading activities, along with his quotes to reporters. Since he engages in trading activities and provides information to traders. It was this, along with his posting on message boards that led to the regulatory investigations, and ultimate dismissal from the various broker dealers.

I strongly suggest you contact those places again, as well as I'm sure he misled the circumstances regarding his departure from each place. In 10 years, he has had like 8 jobs all of which he has been fired from. That should tell you something.

Question 8

Did Mr. Levy commit libel by making the statements in the highlighted portion of the email dated March 25, 2013 5:44 PM?

Yes ☒ No ☐

Question 9

Did Mr. Levy commit libel by making the statements in the highlighted portion of the email dated March 25, 2013 2:40 PM?

Yes ☒ No ☐

Proceed to Question 10.

Plaintiff's
Exhibit 49

From: Cuttone, Joseph
Sent: Mon 4/08/2013 9:08 PM (GMT 0)
To: Shah, Sachin
Cc:
Bcc:
Subject: FW: Sachin Shah

Joseph C Cuttone
Cuttone & Co. Inc.
111 Broadway 10th floor
NYC NY 10006
joe.cuttone@cuttone.com
Desk 212 422 6107
Cell 908 303 5046

From: Justin Lumiere
Sent: Monday, March 25, 2013 5:55 PM
To: Cuttone, Joseph
Subject: Re: Sachin Shah

Here are the finra emails

From: Ozag, Joseph <Joseph.Ozag@finra.org>
Subject: Sachin Shah
Date: Wednesday, September 15, 2010, 4:17 PM

I am a director in FINRA's Office of Fraud Detection and Market Intelligence. I would like to discuss this matter with you as soon as possible. Please send me a telephone number on which you may be reached or call me at 240-386-6668. Thanks for your cooperation. I look forward to speaking with you soon.

Regards,

Joe Ozag

From: Darling, Sean <Sean.Darling@finra.org>

Subject: FINRA

Date: Monday, November 15, 2010, 8:57 PM

November 15, 2010

FINRA is currently reviewing the matter: Capstone Global Markets, LLC; ICAP Corporates LLC and Sachin Shah. As such, please contact the undersigned by November 29, 2010 if you are willing to cooperate with this review.

Please direct questions or comments regarding this matter to the undersigned at (212) 858-4494, sean.darling@finra.org.

Sincerely,

Sean M. Darling

Sean M. Darling

Associate Principal Examiner

FINRA
One Liberty Plaza
New York, NY 10006
212-858-4494
212-858-4041 (fax)

Question 10

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes _____

No ✓

Proceed to Question 11.

Plaintiff's
Exhibit 55

From: Cuttone, Joseph
Sent: Tue 4/02/2013 6:58 PM (GMT 0)
To: Justin Lumiere
Cc:
Bcc:
Subject: RE: Sachin Shah

Please send your contact information so we can arrange a conversation.

Joseph C. Cuttone
Cuttone & Co. Inc.
111 Broadway, 10th Floor
New York, NY 10006
Member NYSE, FINRA, SIPC

Office 212-374-9797
Direct 212-422-6107
Fax 646-943-5416
E-mail joecuttone@cuttone.com



From: Justin Lumiere [mailto:justin_lumiere@yahoo.com]
Sent: Monday, April 01, 2013 7:17 AM
To: Cuttone, Joseph
Subject: Re: Sachin Shah

Just so you know, unless he is terminated by your firm for his lying on his U-4 and on his resume and other false statements he made to you, I will contact various securities regulators which will in turn get your firm investigated.

From: Justin Lumiere <justin_lumiere@yahoo.com>
To: "Cuttone, Joseph" <joecuttone@cuttone.com>
Sent: Monday, March 25, 2013 6:35 PM
Subject: Re: Sachin Shah

I can also attest that he was fired from various entities, including ICAP and he then was the source for contacting FINRA against those entities in retaliation.

As for his recent place at Tullet he was fired again for his suspicious trading activities and posting on message boards.

His going on Bloomberg TV and giving quotes to those in the media have been investigated since he trades on that information as well as allows clients to trade on it.

Again, his history of termination from employment at all the institutions Credit Suisse, Capstone, Millenium, ICAP, Tullet, etc. etc. should be further vetted by your firm as well as his regulatory investigations.

Question 11

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes ☒ No ☐

Proceed to Question 12.

Plaintiff's
Exhibit 58

From: Cuttone, Joseph
Sent: Mon 4/08/2013 4:22 PM (GMT 0)
To: 'McCurdy, Paul'; Barnes, Evan F.; Cuttone, Donato J.; Cuttone, Donato A.; Quinones, Vincent; Barra, Roger
Cc:
Bcc:
Subject: FW: Sachin Shah - Cuttone

Joseph C. Cuttone
Cuttone & Co. Inc.
111 Broadway, 10th Floor
New York, NY 10006
Member NYSE, FINRA, SIPC

Office 212-374-9797
Direct 212-422-6107
Fax 646-943-5416
E-mail joecuttone@cuttone.com



From: Justin Lumiere [mailto:justin_lumiere@yahoo.com]
Sent: Monday, April 08, 2013 12:21 PM
To: joseph.ozag@finra.org; sean.darling@finra.org
Cc: Cuttone, Joseph
Subject: Sachin Shah - Cuttone

Previously, Finra had investigated Sachin Shah in connection with his alleged violations of Finra rules. In addition, an investigation was also launched by the State Attorney General's Office of the State of Massachusetts. Since those investigations launched, Mr. Shah has been terminated from his last three places of employment - ICAP, Capstone and Tullett Prebon. Indeed, Tullett had found he violated company compliance policies by posting on his analysis on message boards.

Despite the fact that he has been terminated from at least 6 different firms (Credit Suisse, Millenium, and others), he falsifies his U-4 to get hired by firms. I have learned that he is now working with the firm Cuttone.

As with the others, he continues to engage in actions in violations of Finra rules. For example, just the other day, he contacted clients at the firm to trade shares in the company Obagi, citing how it was involved in a merger arbitrage strategy. Despite the fact the advised the clients to trade in those shares he then makes statements in the public through Bloomberg News that he feels the price for Obagi could increase due to a bidding war. As a result, the clients he advised previously have benefited by the shares increasing through his public statements, and which he and his firm personally benefits from as well.

In addition, he makes no mention in his Bloomberg statements that he and his firm has a personal interest, thereby violating public statements rules of Finra as well.

I have advised the Cuttone compliance and senior management people of this, but they have disregarded my warnings and have turned a blind eye to Mr.Shahs' illegal trading and front running activities.

As such, I strongly suggest, just as with the other times, that another investigation be launched in Mr. Shah's actions.

Question 12

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes



No

Proceed to Question 13.

Plaintiff's
Exhibit 62

From: Justin Lumiere
Sent: Sat 4/13/2013 12:00 PM (GMT 0)
To: Cuttone, Joseph
Cc:
Bcc:
Subject: Re: Sachin Shah - Cuttone

I rather not.

I've told you everything you need to know.

You should have done a background check on him. He gets fired from every job he ever had (he lies when he says, the groups got terminated, etc. -- he gets terminated!).

Before coming to ICAP, he was terminated from Credit Suisse, (then someplace I can't remember) and then Millenium (after only being there a couple of months)...he then says they closed the fund or group, which is a lie. He was out of work for about 2 years. He then goes to ICAP and was a complete disaster. When he got terminated for incompetence, he then contacted Finra about the whole equity trading desk complaining about what they did (even though he is the biggest violator of rules, as you can see):

He was out of work for about a year or so, when he went to some 4 place firm at Capstone that again got shut down. He then went to Tullet, where I k now for a fact he got fired for violating company policies including posting on message boards and making those statements to bloomberg and where he caused the firm to be investigated (as you saw)

He then went to your firm where he does the same shit all over again....insider trading, pumping up his picks, front running, non-disclosure, non-disclaimers, etc.

Why you would hire him after he has been fired from so many places in such a short period of time is beyond me. It only shows that you did not do a background check on him. He was the subject of investigations (and he lied about this on his U-4) and he was fired from places because of his actions

He is a joke in the industry, and I will not stop informing Finra and other regulatory agencies of his actions until he is kicked out of the industry.

From: "Cuttone, Joseph" <joe@cuttone.com>
To: Justin Lumiere <justin_lumiere@yahoo.com>
Sent: Friday, April 12, 2013 10:55 AM
Subject: RE: Sachin Shah - Cuttone

Can we please have your phone number ?

Joseph C. Cuttone

Cuttone & Co. Inc.
111 Broadway, 10th Floor
New York, NY 10006
Member NYSE, FINRA, SIPC

Office 212-374-9797
Direct 212-422-6107
Fax 646-943-5416
E-mail joecuttone@cuttone.com



From: Justin Lumiere [mailto:justin_lumiere@yahoo.com]
Sent: Friday, April 12, 2013 10:46 AM
To: Cuttone, Joseph
Subject: Fw: Sachin Shah - Cuttone

just suspending him from Bloomberg will not suffice....he needs to be terminated.

I am communicating with Finra regarding his actions and your firm's lack of compliance in hiring him and monitoring his actions.

----- Forwarded Message -----

From: Justin Lumiere <justin_lumiere@yahoo.com>
To: "Ozag, Joseph" <Joseph.Ozag@finra.org>
Sent: Thursday, April 11, 2013 9:13 AM
Subject: Re: Sachin Shah - Cuttone

Thank you for returning my email. Mr. Shah has only been at Cuttone for about 2 weeks, yet he continues to engage in his illegal activities.

For example, there was a recent announcement of a takeover of Obagi where Valeant had offered to buy the company for \$19.75 per share. Soon thereafter, another company, Merz, came and offered \$22 per share. Then Valeant upped its offer to \$24 per share.

After that, Sachin Shah, an analyst with Cuttone, contacted clients of the firm, and sent notes to them, informing them that the bidding war was not over and that Merz would make a higher offer, around \$25.25 per share to win the buyout of Obagi.

Based on that, clients of his firm began buying shares of Obagi for which and others at the firm did the trades, where they got commissions. However, he was not done. He then contacted Bloomberg and started making public statements in the media that the bidding war was not over. Specifically, he said "Merz is not done" and the current offer of \$24 by Valeant is not their top offer.

Based on this, the price of Obagi stock increased, providing a windfall for Cuttone's clients and Mr. Shah who gets commissions and a bonus based on his trades. At no time, was any disclaimer made by Cuttone or Mr. Shah regarding this conflict of interest and self-interest. I have set forth below the article from Bloomberg. It was on April 3, 2014 that Mr. Shah sent around a note to his clients to buy the stock and then the next day he is making public statements.

Again, this is just one example. Previously, while at Tullett Prebon, where he was for the past year, he engaged in similar actions and posted on the yahoo message board. Tullett eventually terminated him due to his violations. I can send you similar examples of his illegal transgressions while at Tullett. Indeed, it caught the attention of the Attorney General's Office of the State of Massachusetts who, to my knowledge, is still conducting an investigation of his alleged insider trading, front-running and boosting of his analyses. He has been terminated from every firm he has ever worked at - I believe the number is now around 6 or 7 in the past 8 years.

I had contacted Cuttone about Mr. Shah and his actions and warned them that he would do this, yet, they turned a blind eye and yet, again, he is pumping up his trades in the media for his personal benefit.

Question 13

Did Mr. Levy commit libel by making the statements in the highlighted portion of the email dated 4/13/2013 12:00 PM?

Yes ☒

No ☐

Question 14

Did Mr. Levy commit libel by making the statements in the highlighted portion of the email dated April 11, 2013 9:13 AM?

Yes ☒

No ☐

Proceed to Question 15.

Plaintiff's
Exhibit 65

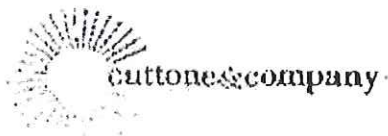
Barra, Roger

From: Cuttone, Joseph
Sent: Thursday, April 18, 2013 12:21 PM
To: Justin Lumiere
Cc: Barra, Roger; Cuttone, Donato A.; Quinones, Vincent
Subject: RE: Sachin Shah - Cuttone

Please stop communicating with me and this firm.

Joseph C. Cuttone
Cuttone & Co. Inc.
111 Broadway, 10th Floor
New York, NY 10006
Member NYSE, FINRA, SIPC

Office 212-374-9797
Direct 212-422-6107
Fax 646-943-5416
E-mail joecuttone@cuttone.com



From: Justin Lumiere [mailto:justin_lumiere@yahoo.com]
Sent: Thursday, April 18, 2013 8:44 AM
To: Cuttone, Joseph
Subject: Re: Sachin Shah - Cuttone

Just one more thing....I hope you put down on his U-5 that he was fired for cause
otherwise, he will just go around again and say he resigned voluntarily because of your group

In fact, I hear already he is saying how your firm was not a good fit for him

Question 15

Did Mr. Levy commit libel by making the statements in the highlighted portion of this email?

Yes _____ No ☒

If you found that Mr. Levy committed libel by making the statements in the highlighted portions of any of the above emails (Questions 5 - 15), proceed to Question 16.

If you found that Mr. Levy did not commit libel by making any of the statements in the highlighted portions of any of the above emails (Questions 5 - 15), proceed to Question 17.

Question 16

What is the amount of damages, equal to or greater than \$1, that Mr. Shah suffered as a result of all the statements that you found libelous in Questions 5–15?

\$ 27,000 (\$1 or greater)

Proceed to Question 17.

III. Punitive Damages

Question 17

What is the amount of punitive damages, if any, that you award Mr. Shah?

\$ 81,000

Proceed to the next page.

I attest that the foregoing accurately reflects the jury's decision.

1. MR Stein (#2)
Foreperson
2. Anthony Peng #3
3. J. C. Felt (#5)
4. Monte Jackson (#4)
5. Vol S. L. Jones (10)
6. Cindy Brown (8)
7. C. L. Jones (9)
8. Walter D. Mayfield (#7)
9. S. R. Jones (+ 6)
10. J. L. Jones #1

Dated: April 27, 2017

Each juror should place his or her signature on the lines above. You are finished! Please provide this completed form in a sealed envelope to the Marshal.